GOVERNMENT OF INDIA
TEXTILES
LOK SABHA

UNSTARRED QUESTION NO:489
ANSWERED ON:25.11.2005
SALE OF NTC LAND
Das Gupta Shri Gurudas;Reddy Shri Suravaram Sudhakar;Singh Shri Mohan

Will the Minister of TEXTILES be pleased to state:

(a) whether Government planned to revive certain textile mills by selling some of the assets and land of those textile mills under textile corporation which have been closed and situated in Metropolitan cities;

(b) if so, the capital likely to be generated by selling of these mills;

(c) whether the Government are aware that Mumbai High Court has set aside the contract of selling of some of the mills of public and private sector of Mumbai;

(d) if so, the loss of amount due to rejection of this scheme and the way it has hampered the future plan;

(e) whether the Government in the light of the order of Mumbai High Court is trying to find out any way to dispose off the land and assets of these closed mills; and

(f) if so, the details thereof?

Answer

MINISTER OF TEXTILES (SHRI SHANKERSINH VAGHELA)

(a) Yes, Sir. The Board of Industrial Financial Restructuring (BIFR) has approved Rehabilitation Schemes for NTC companies consisting sale of surplus lands for generating funds for rehabilitation of the companies.

(b) The total cost of the rehabilitation schemes is Rs. 3937 crores and the entire amount is projected to be generated by sale of assets of the closed mills and the surplus assets of mills identified as viable.

(c) to (f) Yes Sir. The Hon'ble High Court of Mumbai, in a Public Interest Litigation (PIL) filed by the Mumbai Environmental Action Group (BEAG) against the Govt. of Maharashtra, NTC and others, held that the sale of the 5 mills' lands carried out by NTC are contrary to the BIFR scheme and the Hon'ble Supreme Court Orders dated 27.9.2002 and 11.5.2005. NTC has challenged this order before the Hon'ble Supreme Court and it has been admitted for hearing. The matter is currently sub-judice.